

## Message Text

LIMITED OFFICIAL USE POSS DUPE

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11  
ORIGIN XMB-04

INFO OCT-01 ISO-00 AF-06 AID-05 CIAE-00 COME-00 EB-07

FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 OPIC-03 SP-02

CIEP-01 OMB-01 /046 R

66608  
DRAFTED BY: XMB: SLPEARSON:TAS  
APPROVED BY: EB/OCA/CM: EMCKEON  
XMB: EBYOUND  
AF/E: ESHIPPY  
EB/IFD/ODF: RASWART  
XMB: WWGLICK

----- 024908

R 111633Z JUL 75  
FM SECSTATE WASHDC  
TO AMEMBASSY NAIROBI

LIMITED OFFICIAL USE STATE 163378

E.O. 11652: N/A  
TAGS: EFIN, BEXP, KE  
SUBJECT: FINANCING FOR RAILROAD EQUIPMENT

REF: (A) NAIROBI 4948  
(B) STATE 145165  
(C) NAIROBI 5664  
(D) NAIROBI 5668

1. DIFFICULT TO RESPOND TO REF C WITHOUT PRECISE APPLICATION.  
EXIM TERMS FOR \$10 MILLION PURCHASE PRIMARILY ROLLING STOCK ABOUT  
SEVEN YEARS BEGINNING SIX MONTHS AFTER DELIVERY. FOR LARGE PURCHASE  
OF LOCOMOTIVES TERM MIGHT EXTEND TEN YEARS BEGINNING SIX MONTHS  
AFTER DELIVERY. INTEREST RATE LIKELY EIGHT PERCENT ON EXIMBANK  
DIRECT CREDIT. RATE ON COMMERCIAL BANK PARTICIPATION SET BY  
COMMERCIAL BANK. EXIM LOAN WOULD PROBABLY COVER 40 OR 45  
PERCENT OF U.S. COSTS, DEPENDING ON NEED FOR EXIM GUARANTEE OF  
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PRIVATE FINANCING. EXIM MIGHT BE WILLING GUARANTEE PART OF  
PRIVATE FINANCING BUT IN TURN WOULD REDUCE AMOUNT OF ITS DIRECT

CREDIT.

2. IN VIEW OF SIZE OF TOTAL PROJECT, EVEN IF EXIM REQUESTED TO FINANCE ONLY PART, BANK WOULD HAVE TO GIVE REQUEST FOR FINANCING CAREFUL CONSIDERATION. BANK CONCERNED ABOUT KENYA'S DIFFICULT ECONOMIC SITUATION AND NEED TO DIRECT RESOURCES TOWARD PRODUCTIVE INVESTMENTS. BANK ALREADY HAS OUTSTANDING PRELIMINARY COMMITMENT FOR KENYA PIPELINE CO. WHICH COULD ADD \$9 MILLION NEW EXPOSURE. BANK PROCEEDING CAUTIOUSLY WITH ADDITIONAL REQUESTS.

INGERSOLL

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EQUIPMENT, FINANCE, RAILROADS, BANK LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 JUL 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** woolfhd  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE163378  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** XMB: SLPEARSON:TAS  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750241-0722  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750763/aaaacekr.tel  
**Line Count:** 72  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN XMB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 NAIROBI 4948  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** woolfhd  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 27 AUG 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <27 AUG 2003 by BoyleJA>; APPROVED <15 DEC 2003 by woolfhd>  
**Review Markings:**  

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** FINANCING FOR RAILROAD EQUIPMENT  
**TAGS:** EFIN, BEXP, KE  
**To:** NAIROBI  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006